comparison of bank frauds at the end of 1990 and 1991 can not, therefore, be made. The total number of bank frauds in respect of all commercial banks in India (including their foreign branches) in 1990 was 1797 involving an amount of Rs. 11014.98 lakhs + $ 7500 + SHS459787. The number of frauds in 1991 upto September (latest available) was 1288 involving an amount of Rs. 4722.30 lakhs + $ 8000. A comparison of number and amount of frauds for the period January to September 1990 (1357 frauds involving Rs. 7924.30 lakhs + $ 7500 + SHS 4597787) and for January to September 1991 shows a declining trend in number of frauds by 5.08% and in amount by about 40.41%.

(c) The terms of reference of the Committee are as under:

(i) To look into the growing incidents of bank frauds — reasons — identification and remedial measures therefor.

(ii) To examine the adequacy of the existing system of periodical/surprise inspection and audit with special reference to receipt of control returns —action taken thereon.

(iii) To investigate the adequacy of the existing vigilance machinery in banks—suggestions to improve.

(iv) The Committee will advise on the means of ensuring better co-ordination between Reserve Bank of India. Government, Central Bureau of Investigation and Central Vigilance Commission, keeping in view the existing system and possible improvements thereof.

*(v)*The Committee will make recommendations on any other related matter the Committee considers germane to the subject of enjuiry.

(d)The Committee appointed by RBI has not yet submitted its report.

All India Private Sector Bank.; Form's opposition *to* Narasimham Committee report

885. DR. RATNAKAR PANDEY: Will the Minister of FINANCE be pleased to state:

(a) whether the All India Private Sector Banks' Forum has opposed the recommendations of the Narasimham Committee that foreign banks be permitted to freely open their branches in the coutnry;

(b) if so, what are the details thereof; and

(c) what is the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBTR SINGH): (a) Government have not received any memorandum from Forum of All India Private Sector Banks opposing the recommendations of Narasimham Committee.

(b) and (c) Do not arise.

Differences between World Bank and Government on pace of reforms in financial sector

886. SHRI MENTAY PADMANA BHAM: Will the Minister of FINANCE be pleased to state:

(a) whether there are any differences between Government and the World Bank over the pace of reforms in the financial sector; and

(b) if so, what are the details in this regard with reference to the Narasimham Committee Report?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) and (b) The Government constituted the Narasimham Committee to make recommendations for reforms in the financial sector. The recommendations are under consideration of the Government and Government has announced that recommendations which are accepted will be implemented in a phased manner. The

question of differences with an Inter national Financial Institution on the pace of reforms does not arise at this stage.

Management expenses of General Insurance Company

887. SHRI SANTOSH BAGRODIA: Will the Minister of FINANCE be pleased to state:

(a) -whether it is a fact that General Insurance Company spent Rs. 581.45 crores in 1990-91 as Management Ex penses flaying the allowed expenses of 18 per cent; and

(b) if so, what action Government propose to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) and (b) As per Section 40C of the Insurance Act, 1938, expenses of management are to be computed on the basis of volume of direct premium written by the insurance companies. Under Rule 17E of Insurance Rules. 1939. the ratio of management expenses allowable at present to General Insurance Companies works out to 19 per cent. The expenses of management actually incurred by GIC and its four subsidiary companies during 1990-91 arrounted to Rs. 582 crores. The management expense ratio of the General Insurance Companies for 1990-91 works on 0 20.8 per cent. The main reasons for the management expenses are:—

(i) In order to spread the message of insurance all over the country, the General Insurance Companies have opened offices in many semi-urban and rural areas where due to low premium potential, the office expense ratio is high: and

(ii) New types of non-traditional covers such as Horticulture Insurance. Poultry Insurance, Cattle Insurance, etc. have been operated by the Genera] Insurance Companies, and these are low premium and high cost insurance covers.

In order to bring down the management expense ratio of the General Insurance Companies, instructions have been issued, from time to time, to GIC and its four subsidiary companies to adopt appropriate budgetary control measures so as to keep he expenses in check.

राष्ट्रीयकृत बैंकों में गैर-सरकारी निदेशक की नियुक्ति

888. डा० अबरार अहमद :
एम० विनसेंट :

क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या पिछले एक वर्ष के दौरान राष्ट्रीयकृत बैंकों में गैर-सरकारी निदेशकों की नियुक्ति की गई है; यदि हां, तो ये नियुक्तियां किन-किन स्थानों पर हुई हैं और इस प्रकार नियुक्त किए गए व्यक्तियों के नाम क्या-क्या हैं ;

(ख) इस समय किन-किन राष्ट्रीय-कृत बैंकों में गैर-सरकारी निदेशकों के पद रिक्त पड़े हैं और ये पद कब से रिक्त पड़े हैं और इन्हें न भरे जाने के क्या कारण हैं ;

(ग) क्या इस पद पर नियुक्ति के लिए कोई न्यूनतम योग्यता अथवा स्तर निर्धारित किया गया है ; और

(घ) प्रक्रिया पूरी न करने वाले व्यक्तियों के विरुद्ध क्या कार्यवाही की जा रही है ?

वित्त मंत्रालय में राज्य मंत्री (श्री दलबीर सिंह) : (क) से (घ) सम्भवतः इस प्रश्न में राष्ट्रीयकृत बैंकों के बोर्डों में गैर-सरकारी निदेशकों की नियुक्ति के बारे में सूचना मांगी गयी है । राष्ट्रीय-कृत बैंकों के बोर्डों में गैर-सरकारी निदे-शकों की नियुक्ति केन्द्रीय सरकार द्वारा राष्ट्रीयकृत बैंक (प्रबंध और प्रकीर्ण उपबंध) योजना, 1970 तथा 1980 में किए गए प्रावधानों में बतायी गयी पद्धति और मानदण्डों के अनुसार की